



Internal Audit Report

Program Evaluation Tuition Reimbursement Program

August 2005



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August 19, 2005

Max Wilson, Chairman, Board of Supervisors
Fulton Brock, Supervisor, District I
Don Stapley, Supervisor, District II
Andrew Kunasek, Supervisor, District III
Mary Rose Wilcox, Supervisor, District V

We have completed our evaluation of the Tuition Reimbursement Program, recently renamed the "Educational Assistance Program." This evaluation was performed in accordance with the annual audit plan approved by the Board of Supervisors. Program evaluations are conducted to assess the extent to which programs have achieved intended objectives.

Human Resources (HR) implemented tuition reimbursement in 1997 to offer educational benefits to County employees. HR has continuously improved this well-received and well-used program since its inception. While the program appears to be popular and successful, Internal Audit recommends that, at a minimum, HR should complete the following:

- Develop and establish clearly defined objectives, goals, and key performance measures
- Analyze the program data that has been collected in order to assess and improve program effectiveness
- Follow up on the exceptions to program rules, such as payments exceeding the annual limit and missing system data

This report contains an executive summary, specific information on the areas reviewed, and HR management's response to the evaluation. We have reviewed this information with the HR Director and the Staff Development Manager. We appreciate the excellent cooperation provided by HR management and staff. If you have any questions, or wish to discuss the information presented in this report, please contact Eve Murillo at 506-7245.

Sincerely,

A handwritten signature in cursive script that reads "Ross L. Tate".

Ross L. Tate
County Auditor

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Executive Summary

Tuition Reimbursement Program

Human Resources (HR) implemented a Tuition Reimbursement Program in 1997, with revisions to the program in subsequent years. Program usage has consistently grown; however, HR has not established specific written program goals or methods to measure if goals are achieved. HR should use available data to measure and report the success of the Tuition Reimbursement Program, which was recently renamed the “Educational Assistance Program.”

Based on detailed data HR provided from their Learning Management System, we compiled and analyzed the following program statistics:

Tuition Reimbursement Program Facts FYs 1997 – 2004	
Cumulative Dollars Expended	\$6,063,823
Average Cost per Class	\$ 485
Dollars Expended on Employees Who Terminated	\$1,670,823
Average Number of Employees Using Tuition Reimbursement Each Year (FYs 1999–2004)	521
Number of User Departments	62
Number of Schools Providing Classes	65
Number of Classes Reimbursed	12,515

Introduction

Program Evaluation Review

Program evaluations are conducted to assess the extent to which programs have achieved intended objectives. Knowledge gained from evaluations will allow management to make better fiscal and strategic decisions. Program evaluation is a systematic collection, analysis, and reporting of information to determine a program's performance and the reasons for achieving, or missing, its performance goals. Program evaluation reporting may be of more interest to County citizens, and easier to understand than financial and detailed process reviews.

Types of Evaluation

Evaluation design, or type, varies depending on the nature of the program reviewed and the data available. There is no one "best" evaluation method. The goal is to improve the effectiveness of the evaluated program. Evaluation types include the following:

Types of Program Evaluations	
Outcomes Based	Assesses extent to which the program achieves its objectives
Process Based	Identifies opportunities for streamlining or improving the program
Cost-Benefit /Cost Effectiveness	Compares program benefits to the costs of producing them
Impact	Compares outcomes to estimate of what would have happened in the absence of the program

Long Term Benefits of Program Evaluation

A formal evaluation can facilitate program management by identifying and measuring program goals. The evaluation can verify the impact of products or services on customers and clients, and recognize process impediments that affect efficiency and increase costs. A formal evaluation can also:

- Produce data or verify results that can be used for public relations or promoting services in the community
- Provide comparisons between programs to facilitate management decisions
- Identify effective program management processes that can be duplicated in other organizations

Scope and Methodology

The objectives of this review were designed to answer the following questions:

- Program Performance: Does the program perform at an acceptable level? How is this determined? What are the reasons for achieving its level of performance?
- Program Operations: Does the program effectively meet its goals and objectives? Are there more efficient methods of attaining these goals and objectives?
- Program Benefits: What are the benefits to the County of maintaining this particular program?

Because the Tuition Reimbursement program lacked clearly defined measurable goals and objectives, Internal Audit was unable to satisfy the key program evaluation objectives listed above. However, we did determine that HR had accumulated a large amount of program data. Therefore, we changed our focus to a more process-improvement program evaluation approach, to assist HR with identifying ways it could use the data to assess the program in the future.

This review was performed in accordance with generally accepted government auditing standards.

Program History

Objectives and Goals

HR, with County Management approval, implemented a Tuition Reimbursement program in 1997. (For this report, Tuition Reimbursement will be used in lieu of the recent name change to Educational Assistance program). The initial objective of the program was:

“to assist the employees of Maricopa County in continuing their education in order to maintain and improve knowledge, skills, and professional growth in their current position or profession.”

Originally, the program had a budget, but did not limit the maximum reimbursement amount per employee, and allowed employees to sign up for classes beyond the current semester. Over the years, changes were made to the program objective. In 2005 the program objective was made more quantifiable and program parameters were broadened for employees who wanted to obtain degrees versus those who had degrees or who were addressing job-related needs.

Changes To Tuition Reimbursement Program Objective		
	TYPE OF CHANGE	CHANGE
2002	Language change to align policy with IRS Code	“... in order to maintain and improve knowledge and skills in their present work.”
2005	Language change to restate objective	“... in order to help make them a more productive employee and to help attract and retain qualified employees.”

The table below shows the most significant changes to other aspects of the program.

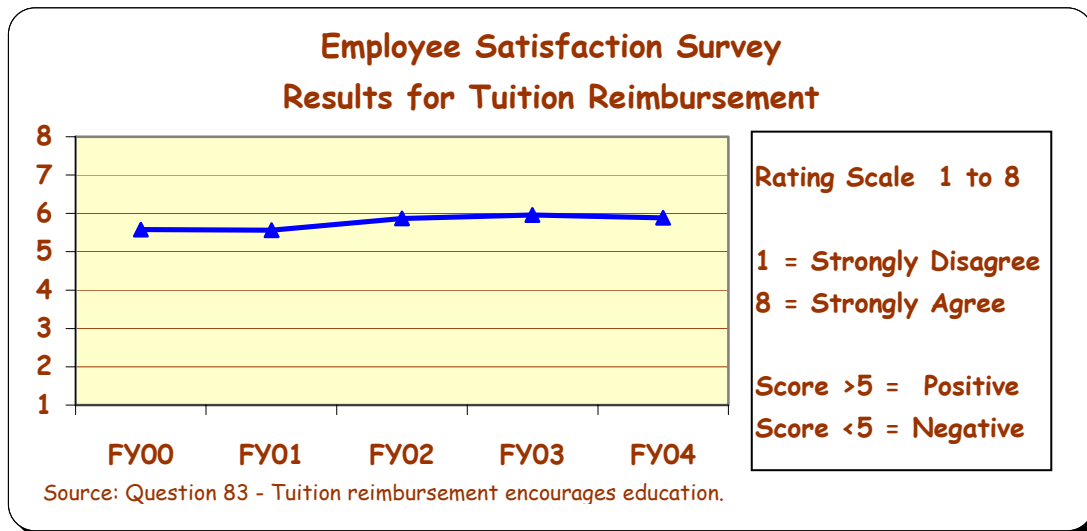
Other Changes To The Tuition Reimbursement Program		
2002	Dollar Limitation	The 1999 policy of a \$5,000 maximum reimbursement cap per employee was amended to “the reimbursement cap will be set, based on the budget approved by the Board of Supervisors (BOS) and announced to the employees.” (Note: HR confirmed that the cap has never exceeded \$5,000.)
2002	Time Frames for Class Pre-approval	Class pre-approvals would only be accepted within three months before class start-date to prevent employees attending private schools from applying for a year’s worth of classes and encumbering tuition budgeted funds, while employees attending state schools could only apply for one semester at a time.

Other Changes To The Tuition Reimbursement Program

2002	Other Reimbursement	<ul style="list-style-type: none"> • Testing assessments to give employees credit for previous experience would be reimbursed. • The Certified Public Manager Program at Arizona State University would be reimbursed at 60 percent. • Employees not meeting the In-State or In-County residency requirements at State and County schools would receive the out-of-state rate during their first residency year, or for one semester.
2005	Dollar Limitation and Funding	<ul style="list-style-type: none"> • Reimbursement will now be calculated on a calendar year in lieu of a fiscal year and no employee may be reimbursed more than \$5,000 in the calendar year. HR to ensure that payments from General Fund do not exceed reimbursement cap or the federal tax limits for the calendar year. • Funds will be distributed on a "First Come-First Served" basis at the time of application.
2005	Expanded program parameters to encourage college education	<ul style="list-style-type: none"> • Each class must have a direct relationship to maintain or improve skills required by the employee in the employee's present work, or be a required course necessary for the completion of an approved undergraduate or graduate program. • This policy supports classes that will improve skills in the current job or to gain skills and credentials required for a promotional process within the normal career path for the position....not intended to cover expenditures for educationto qualify for an entirely new trade, a business, or career. An exception may be made for career paths not identifiable where an undergraduate degree provides career access in the County.
2005	Covered Costs	<ul style="list-style-type: none"> • County will initiate reimbursement at 100% for tuition, books, and required fees for 100 and 200 level courses at the Maricopa Community Colleges for classes with a "C" grade or above. • Students in graduate courses will be reimbursed 100% for an "A" and 80% for a "B." Any grade lower than a B for a graduate course is not considered passing and will not be reimbursed.

Employee Satisfaction Survey Information

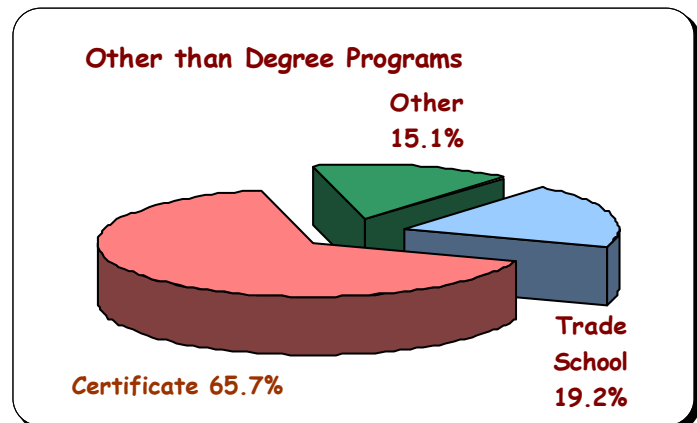
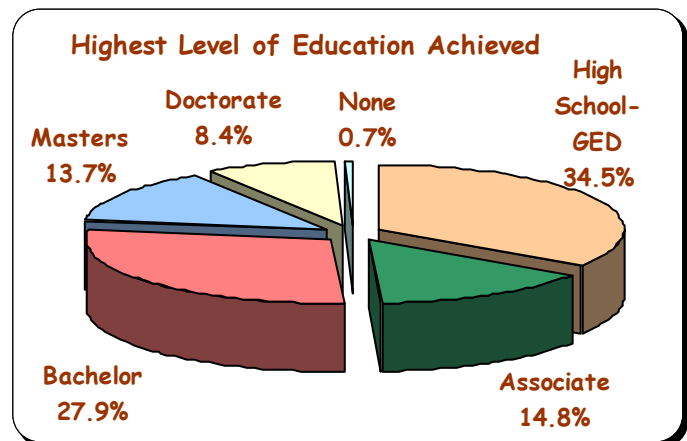
In FY 2000 the County began measuring employee satisfaction with the Tuition Reimbursement Program by adding a question to the annual Employee Satisfaction Survey. Employees were asked to rate the statement: "Tuition Reimbursement encourages education." Survey results for the past five years, shown below, show a fairly stable positive rating.



Human Resources On-line Survey

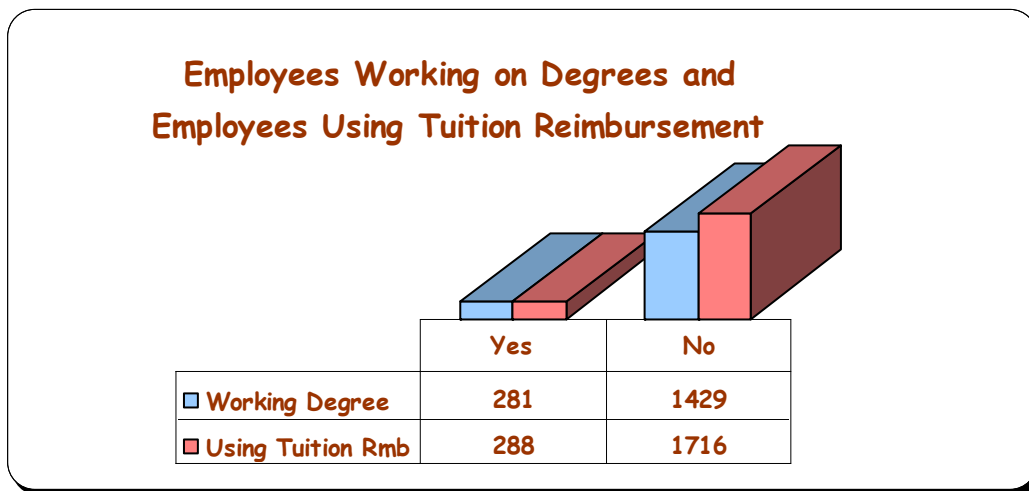
In October 2004, Human Resources conducted an independent on-line survey on the County Electronic Business Center (EBC) to gather data on education levels and tuition reimbursement usage. Approximately 2,000 employees responded to the survey, although not all respondents answered all questions. Only 14 percent of respondents had used the tuition reimbursement program.

Survey results disclosed that survey respondents, not all of whom used the tuition reimbursement program, have a diverse educational background. Employees completing trade school or certificate programs supplemented the degreed population. The charts at right show percentages for educational levels and other non-degree programs for the survey respondents. These percentages may, or may not, be representative of the County employee



population or Tuition Reimbursement user population as a whole.

As shown in the following chart, we found that among survey respondents working on degrees or job related classes (288), tuition reimbursement assisted with their programs. However, among all survey respondents, most were not seeking degrees and were not using tuition reimbursement. (See Appendix A for additional information.)



In the past, the Tuition Reimbursement program was not available for all educational purposes and had limitations, which may explain why most respondents are not working on degrees and using reimbursements. The survey allowed for employee comments about the Tuition Reimbursement program. Employee comments included the following:

- Tuition Reimbursement Program was inequitable in not supporting undergraduate degrees, but only job related courses.
- The program catered to those who already had a Bachelor's degree.
- Employees indicated some courses had been denied even though they were in the same field and classes pertained to the general nature of the employee's work (e.g., a clerk working for attorneys who did not get a paralegal class approved).

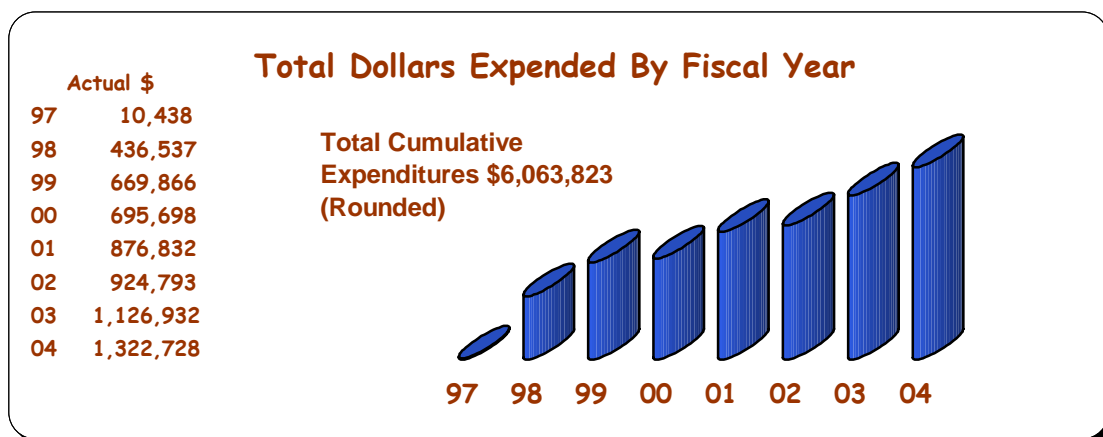
The Tuition Reimbursement program does not cover the cost of continuing education units required for County professionals in many departments.

Statistical Data and Outcomes

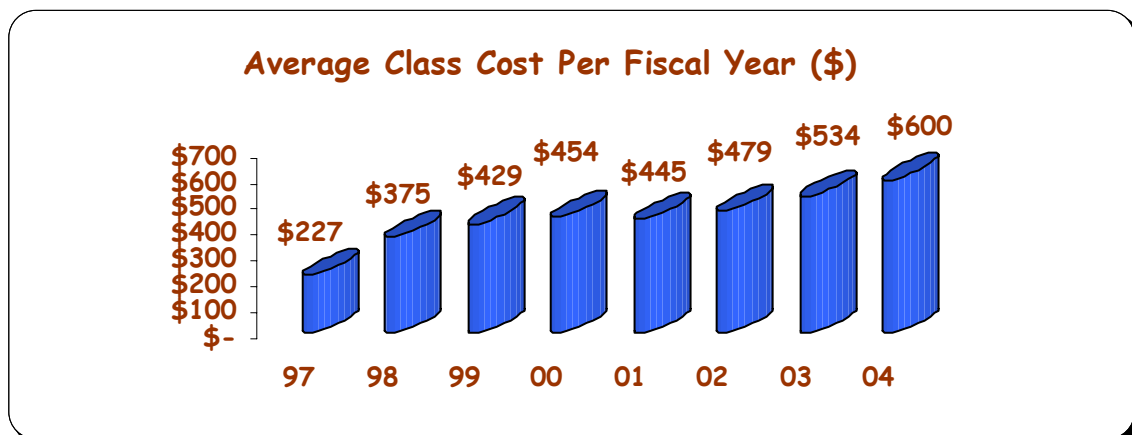
Tuition Reimbursement Expenditures

Tuition Reimbursement Program expenditures have increased each fiscal year. Initially, the dollars were minimal as the program was introduced and procedures developed. Once the program was advertised and employees understood policies and requirements, employees took advantage of the program's benefits. HR accumulated significant program data in its Learning Management System database. HR has performed some data analysis, but has not regularly trended data to measure overall program results and trends. Program objectives and results are not included in HR's Managing for Results Performance Measures.

We were able to compile numerous trends from the data HR provided. The total dollars expended from program inception through fiscal year-end 2004 totaled \$6,063,823. The chart below illustrates the actual expenditures on a fiscal-year basis.

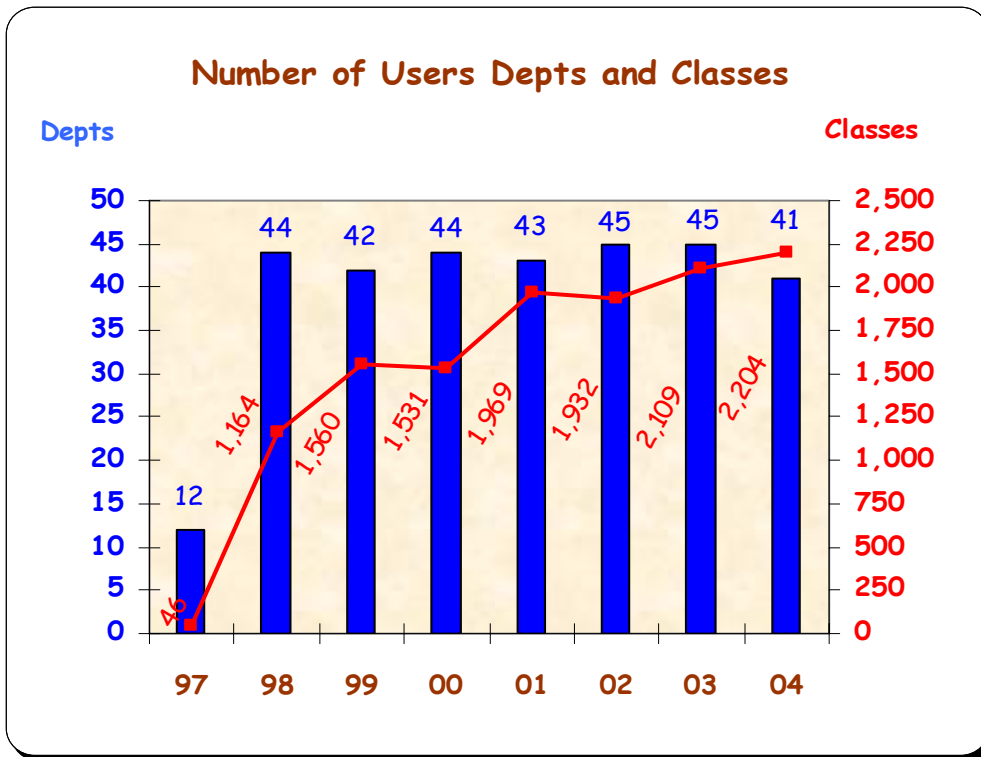


We compiled the number of classes taken at each school and the corresponding dollars paid for these classes. The average cost per class at all schools, across all fiscal years, was \$485. The average cost per class for each fiscal year is illustrated in the following chart.



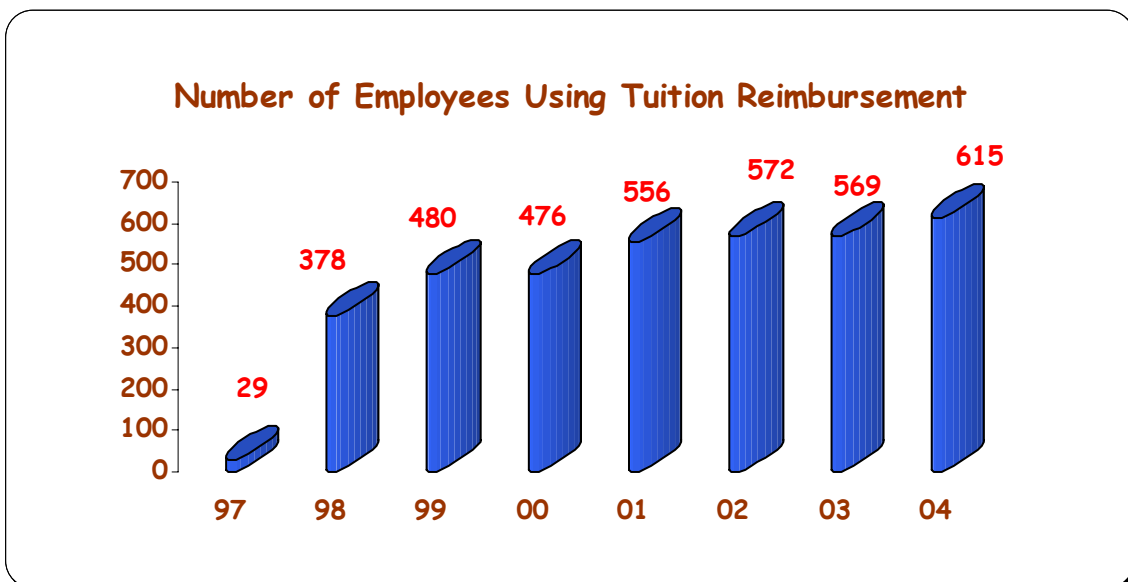
Employee and Department Users

Since program inception, employees from 62 departments have used the Tuition Reimbursement program to take a total of 12,515 classes, with tuition totaling \$6,063,823.



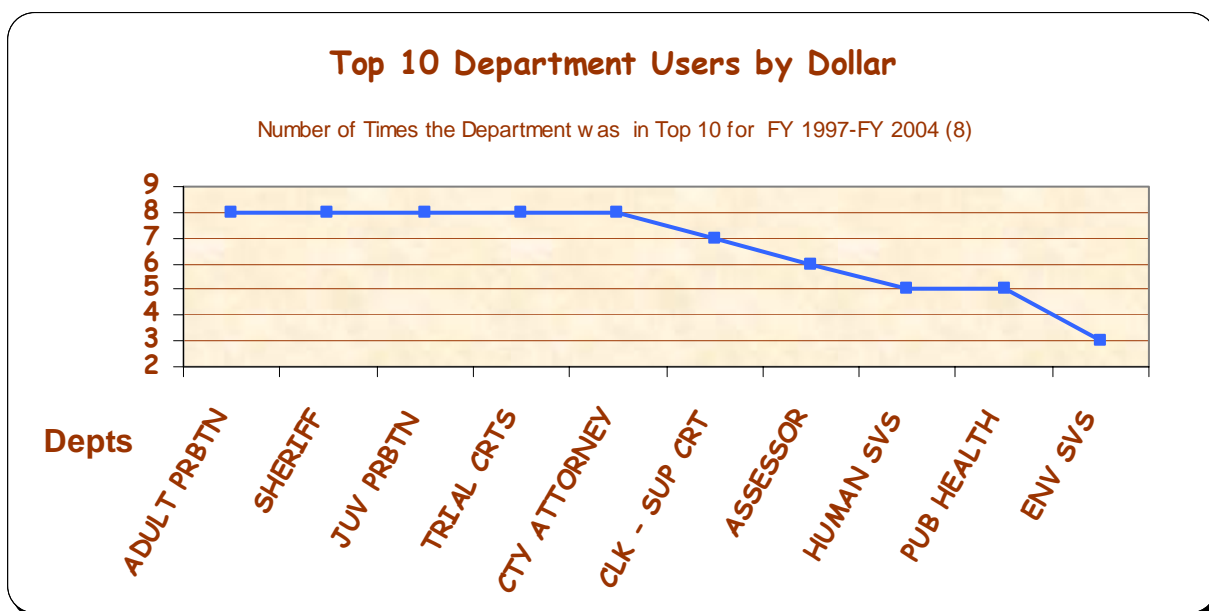
An average of 43 departments had employees reimbursed annually for tuition costs. The number of classes taken increased from 1,164 to more than 2,000 in FY 2004. Since FY 1998, the average number of employees using the tuition reimbursement program grew from 521 to 578 annually.

The chart below shows the number of employees using the Tuition Reimbursement program in each of the fiscal years since the program began.



Ten departments use 87 percent of the cumulative program expenditures. In the following chart, we show the top ten departments and the number of times each department was among the top ten users since the program inception. (See Appendix B for details.) The Top Ten users generally have the largest FTE populations. (See Appendix C for details.)

The HR system that stores program data, lists only an employee's current department, not previous departments where some of the tuition reimbursement dollars may have been requested and spent. This fact may skew the statistics slightly; however, the transfer patterns among the departments listed did not vary significantly.



Participating Schools

Employees have taken classes at a wide range of schools, including:

- Community colleges
- Four-year colleges and universities (both in and out-of-state)
- Trade schools
- Technology institutes (e.g., Devry)
- Specialty schools (e.g., AZ Paralegal, AZ School of Professional Psychology)

Each school must provide academic college credit (not Continuing Education Units) and must be accredited by one of the regional accrediting agencies or by an independent or proprietary school recognized by the U.S. Department of Education.

Overall, 65 schools have provided classes for which employees were reimbursed. All schools were included in the HR On-Line Tuition Reimbursement Application selection list of available schools. This Program Evaluation did not include verification of whether schools were in fact accredited. We noted that 40 classes did not have schools codes attached to classes in the database. Due to the nature of the Program Evaluation, we did not follow-up on the coding issues. This issue can be considered for future audits. From program data, we compiled a list of schools receiving the most program dollars. Ten schools received \$5,562,630 (91.7%) of the total tuition reimbursement expenditure of \$6,063,823, as shown below.

Top Ten Schools Receiving Tuition Dollars			
SCHOOL	CLASS COUNT	TUITION PAID	AVG COST PER CLASS
University of Phoenix	2,531	\$ 1,874,691	\$ 740.69
Northern Arizona University	2,916	\$ 1,077,661	\$ 369.57
Western International University	1,192	\$ 764,336	\$ 641.22
Arizona State University	1,471	\$ 552,768	\$ 375.78
Ottawa University	689	\$ 523,423	\$ 759.69
Grand Canyon University	504	\$ 296,099	\$ 587.50
Wayland Baptist University	648	\$ 249,444	\$ 384.95
Devry Institute of Technology	111	\$ 87,369	\$ 787.11
Phoenix College	586	\$ 74,044	\$ 126.36
Keller Graduate School	59	\$ 62,793	\$ 1,064.28
TOTALS/AVERAGE COST	10,707	\$ 5,562,630*	\$ 519.53

***Rounding**

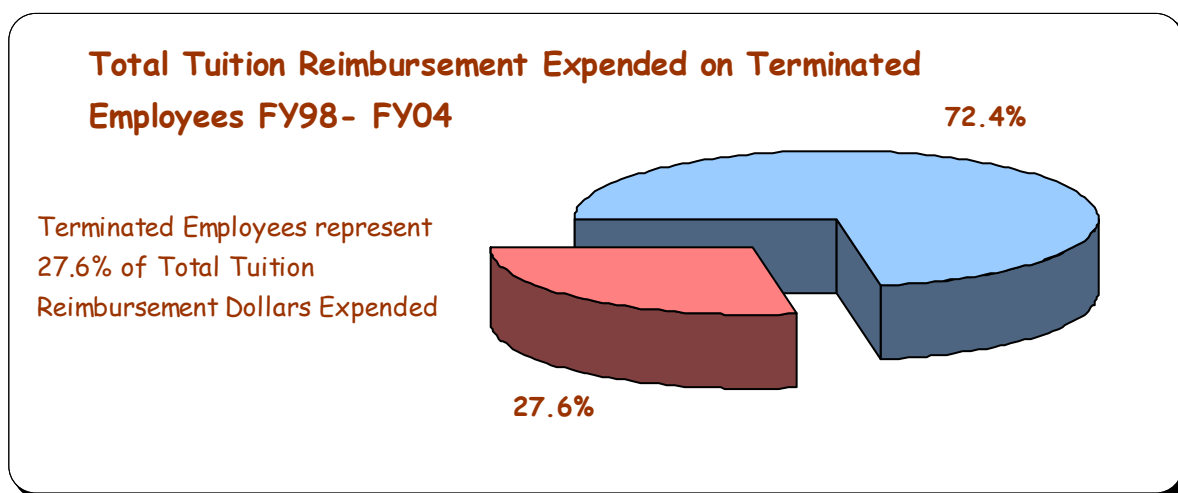
Schools receiving the most tuition dollars are not always the same schools providing the most classes. We sorted schools by number of classes reimbursed, finding that 13 schools each provided more than 100 classes to employees over the life of the program. (See Appendix D for a list of the top 13 schools and their class count.)

Expenditures for Subsequently Terminated Employees

County policy does not address employees who use the Tuition Reimbursement program and subsequently terminate employment. The original program objective was "...to improve knowledge, skills, and professional growth in their current position or profession." To determine if the reimbursement program that benefits employees also provides long-term benefits to the

County, we analyzed the number of employee program users who terminated. No data had been collected or was available to review time frames between employees using the program and terminating their employment. As a result, we could not determine when employees terminated in reference to using the program, or if they terminated after obtaining degrees. Therefore, our analysis was based entirely on the number of employees that the Human Resources system showed left the County and the year they terminated. Data detail was unable to analyze whether the Tuition Reimbursement program assists with employee promotions or performance level.

Of the approximately 3,600 employees who have used the program between FY 1998 and FY 2004, 614 terminated, representing \$1,670,823, or 27.6 percent of all expenditures. (See detail by fiscal year in Appendix E.) The percentage is a raw figure based on HR data available. HR may want to conduct research to determine if the 27.6 percent represents a high or low percentage as compared to other entities with this program.



Benchmarking Results

HR has not conducted benchmark studies to compare their program against other government agencies. HR stated their department receives inquiries on the County program, but no benchmark data has been gathered or compared.

We contacted three agencies for tuition reimbursement program data:

- Clark County (Nevada)
- Harris County (Texas)
- City of Phoenix (Arizona)

Agencies' information did not provide sufficient data for us to compare results against Maricopa County's program. Harris County does not have a tuition reimbursement program, although the County offers pay raise incentives for degrees or certifications. Clark County has an established program with a current budget of \$90,000 but could not provide trended data. The City of Phoenix offers reimbursement through its departments on a budgeted line identified as "trust fund."

Issues Beyond Evaluation Scope

Program Evaluation focuses on analyzing data to determine if program goals are being met and the program is accomplishing its objectives.

During this review, we identified several issues that are beyond the scope of the current Program Evaluation

- Instances in which the \$5,000 per employee payment cap may have been exceeded
- Payments to employees missing school codes
- Impact of 2005 changes to Tuition Reimbursement program for which an IRS opinion has not been obtained
- Accreditation issues

Since FY 2000, 152 employees have been paid in excess of \$5,000 in one fiscal year. This represents solely General Fund tuition monies; expenditures from other funds, such as grants, were excluded. Several reimbursements lacked school codes. While HR indicated that all schools used in the program were accredited, we identified a few potential exceptions.

We did not research or review exceptions noted; we note them here for HR Management information.

Observations and Recommendations

HR formally implemented tuition reimbursement to offer educational benefits to County employees and, with County management approval, has enhanced and improved the program since its inception. HR has captured program data in its Learning Management System and has implemented several controls over its processes. The controls include tracking encumbered amounts against budget allocations by fiscal year, ensuring that supervisors approve classes, and requiring employees to report grades timely in order to receive tuition reimbursement.

Based on our analysis, the Tuition Reimbursement Program appears successful and well-structured, and has been a benefit to increasing numbers of employees. We have identified some areas and made recommendations to improve the overall program and the capability to gauge its success:

Observation: The Tuition Reimbursement Program needs a more clearly defined objective and well established goals and key measures.

Recommendation #1: HR should evaluate and define specific goals and measurements to determine if the Tuition Reimbursement program is meeting its intended objective.

Observation: HR has collected much useful program data, but needs to use that data to more accurately measure the overall effectiveness and success of the program.

Recommendation #2: HR should evaluate the data it collects and other available, relevant data. HR should set up periodic reporting of data to assist in furthering the program objective and goals.

Observation: Data files revealed that certain data detail has exceptions. For example, the \$5,000 per employee payment cap of does not appear to be effectively monitored. While, HR tracks encumbered dollars against budgeted dollars, data indicates numerous exceptions to the \$5,000 payment cap per employee in several fiscal years. Additionally, employees were reimbursed where 40 school codes were missing from their data files.

Recommendation #3: HR needs to develop a method for accurately monitoring the \$5,000 per employee cap for reimbursement for each calendar year. All school codes should be reflected in the system prior to payment of reimbursement.

Appendices

APPENDIX A – HR On-Line Survey

The following are the actual responses to the Human Resources October 2004 On-line survey:

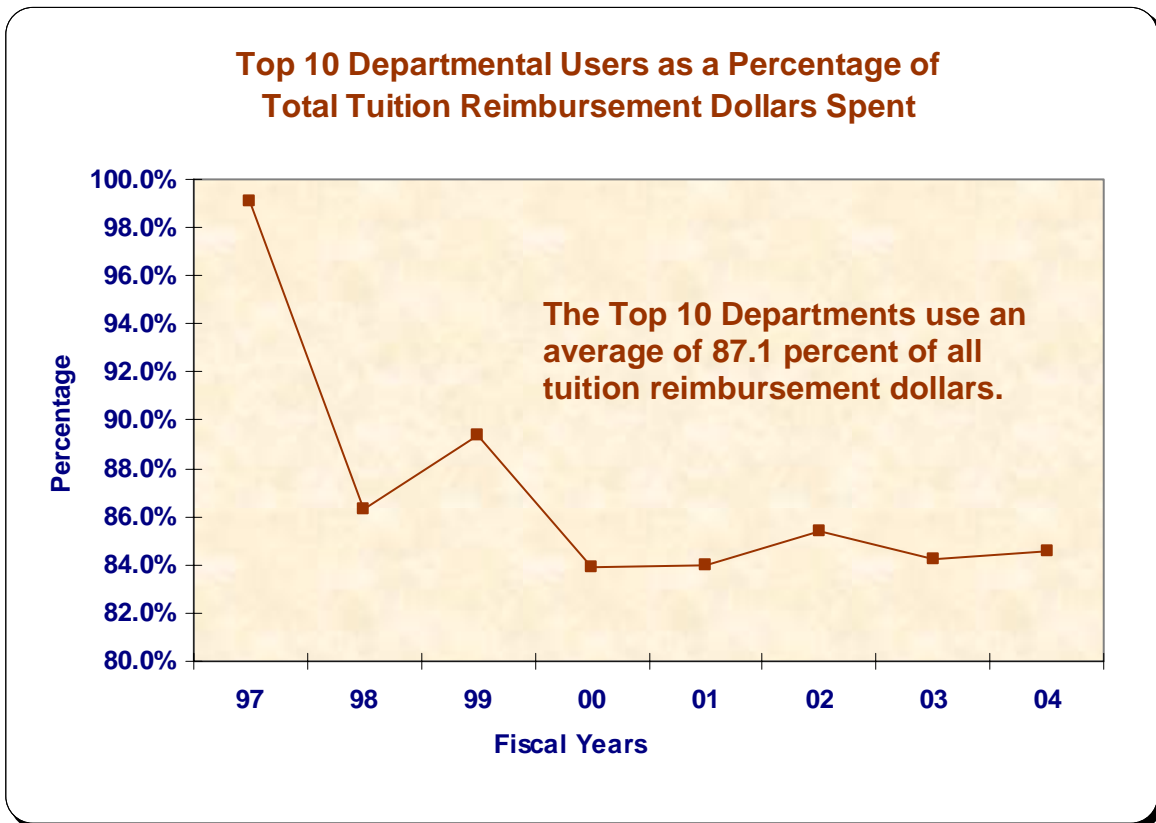
HR October 2004 On-line Survey		
	Answer Options	Responses
What is the highest education level you completed?		
Q1	High School or GED	600
Q1	Associate Level Degree	258
Q1	Bachelor Level Degree	485
Q1	Masters Level Degree	239
Q1	Doctorate Level Degree	147
Q1	None of the Above	12
	TOTAL	1,741
Check if you completed a		
Q2	Trade school program	138
Q2	Certificate program	471
Q2	Other	108
	TOTAL	717
Are you currently working on a degree?		
Q3	Yes	281
Q3	No	1,429
	TOTAL	1,710
Professional certification is		
Q4	Required for my job	270
Q4	Preferred for my job	244
Q4	Preferred for job, but not required	233
Q4	Neither required or preferred	0
	TOTAL	747
Have you utilized the County's Tuition Reimbursement Program?		
Q5	Yes	288
Q5	No	1,716
	TOTAL	2,004

APPENDIX B – Top 10 Department User Rankings for FY1997-FY2004

This chart shows Top 10 user departments by fiscal year and their ranking. If a department shows no ranking, it was not in the Top 10 for that fiscal year.

Department Name	Rankings In Top 10								Reimbursement Paid FY97 – FY04
	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	
ADULT PROBATION	7	1	1	1	1	1	1	1	\$1,452,197
SHERIFF'S OFFICE	1	2	2	2	2	2	3	3	\$1,063,484
JUVENILE PROBATION	2	3	3	3	3	3	2	2	\$895,471
TRIAL COURTS	8	4	4	6	5	5	5	5	\$391,240
COUNTY ATTORNEY	9	5	5	4	4	4	4	4	\$482,015
CLERK OF SUPERIOR COURT		6	6	7	6	7	7	7	\$205,653
ASSESSOR			7	5	10	8	9	9	\$140,348
HUMAN SERVICES		8			7	6	6	6	\$244,016
PUBLIC HEALTH			9	8	8		10	8	\$143,384
ENVIRONMENTAL SERVICES				9			8	10	\$ 97,474

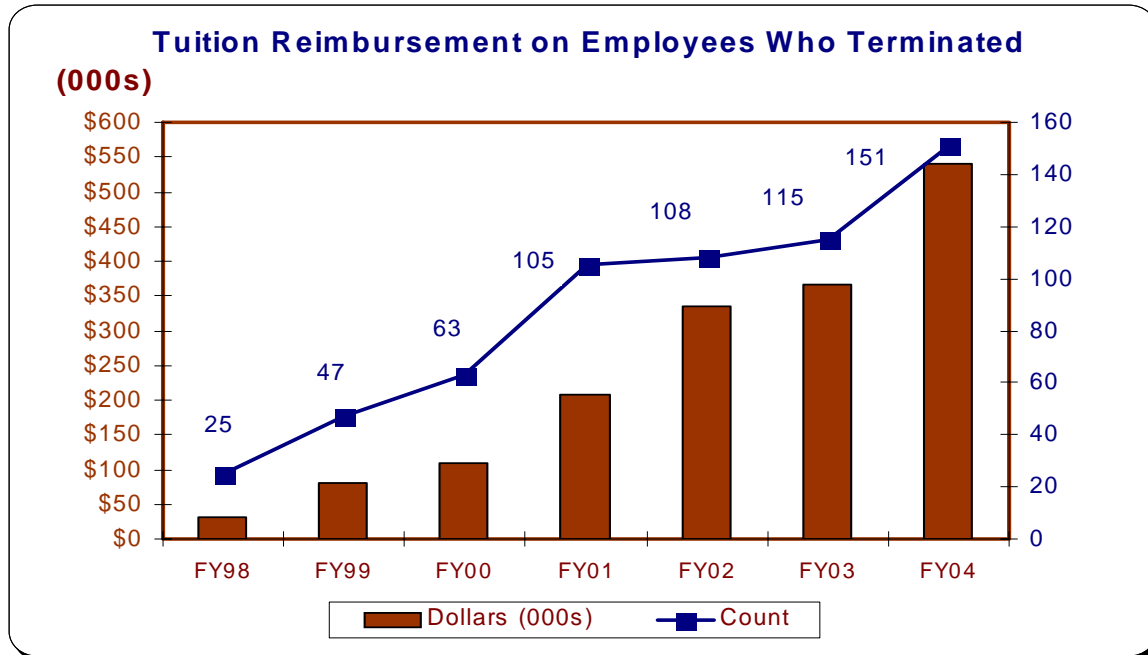
APPENDIX C – Top 10 Departmental Users as a Percentage of Total Tuition Reimbursement Dollars Spent



APPENDIX D – Schools Providing More than 100 Classes

Schools Providing More Than 100 Classes to Employees		
SCHOOL	CLASS COUNT	TUITION PAID
Northern Arizona University	2,916	\$ 1,077,661
University of Phoenix	2,531	\$ 1,874,691
Arizona State University	1,471	\$ 552,768
Western International University	1,192	\$ 764,336
Ottawa University	689	\$ 523,425
Wayland Baptist University	648	\$ 249,444
Phoenix College	586	\$ 74,044
Grand Canyon University	504	\$ 296,099
Glendale Community College	340	\$ 49,323
Rio Salado Community College	312	\$ 38,743
Mesa Community College	307	\$ 35,633
Devry Institute of Technology	111	\$ 87,369
Estrella Community College	106	\$ 15,284
TOTALS	11,713	\$ 5,638,820

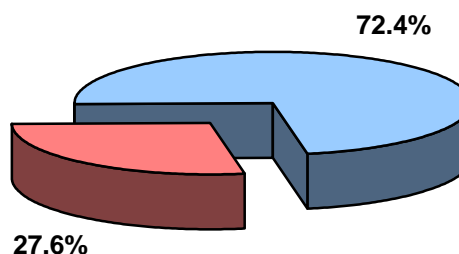
APPENDIX E – Tuition Reimbursement Expended on Employees Who Terminated



This graph above represents the number of employees who have terminated in each of the fiscal years shown. While the number of terminated employees has increased, the ratio of terminations to the number of employees using the tuition reimbursement program appears to remain stable at approximately 27 percent. This is shown in the graph below, previously discussed on page 12 of this report.

Total Tuition Reimbursement Expended on Terminated Employees FY98- FY04

Terminated Employees represent 27.6% of Total Tuition Reimbursement Dollars Expended



Department Response



Maricopa County

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August 11, 2005

From: Don Colvin, Staff Development Manager ^{DAC}

To: Ross Tate, Internal Audit Director

Via: Gwynn Simpson ^{H.S.}

Subj: Human Resources Response to Internal Audit Review of Tuition Reimbursement Program

Attached please find our responses to the Internal Audit report of the Tuition Reimbursement Program. The Tuition Reimbursement Program is a vital part of the overall County effort of developing its employees. It is integral to Human Resources strategy in support of the Board of Supervisors strategic priority to "Maintain a quality workforce and equip County employees with the tools, skills, workspace and resources they need to do their jobs safely and well."

If you have any questions, please contact Don Colvin at 602-506-6148 or by e-mail at colvind00@mail.maricopa.gov.

Sincerely,

A handwritten signature in cursive script that reads "Don Colvin".
Don Colvin

Observation #1:

The Tuition Reimbursement Program needs a more clearly defined objective and established goals and key measures.

Response: Concur. We agree that we need measures that reflect the importance and strength of this program.

Recommendation A: HR should evaluate and define specific goals and measurements to determine if the Tuition Reimbursement program is meeting its intended objectives.

Response: Concur-in progress. Based on the information in the report and the Annual Business Strategies (ABS) we have already included one relevant measure. Over the life of the Tuition Reimbursement (TR) Program, turnover for those who have used TR is just over 3% per year. Compare this to the average turnover of 15% Countywide during that same time frame. One of the program objectives is to retain our qualified employees; clearly this program is meeting that objective. Another measure we are developing is the % of TR users who have been promoted. A survey instrument has been developed to capture that information.

Target Completion Date: 10/15/05

Benefits/Costs: Increased awareness of the utility of the program and will provide additional information that may be useful in our workforce planning and succession planning efforts. No additional cost is expected at this time.

Observation #2:

HR Staff Development has collected much useful program data, but needs to use that data to more accurately measure the overall effectiveness and success of the program.

Response: Concur. We agree that we need measures that reflect the importance and strength of this program.

Recommendation 2: HR should evaluate the data it collects and other available, relevant data. HR should set up periodic reporting of data to assist in furthering the program objectives and goals.

Response: Concur. As mentioned earlier we have already begun this process. Of course, not all data is useful information, so we will need to mine the nuggets of information we need.

Target Completion Date: 10/15/05

Benefits/Costs: Increased awareness of the utility of the program and will provide additional information that may be useful in our workforce planning and succession planning efforts. No additional cost is expected at this time.

Observation #3:

Data files revealed that certain data detail has exceptions. For example, the \$5,000 per employee payment cap does not appear to be effectively monitored. While, HR tracks encumbered dollars against budgeted dollars, data indicates numerous exceptions to the \$5,000 payment cap per employee in several fiscal years. Additionally, employees were reimbursed where 40 school codes were missing from their data files.

Response: Concur. Since the cap was put in place in the policy, Staff Development has run a report every two weeks to monitor employee reimbursement and to prevent them from exceeding the cap. The practice has been to base the reimbursement on class completion date, not the payroll date. When reviewing the spreadsheet Internal Audit provided, there were many instances where an employee was paid more than \$5,000 during a fiscal year. We did a random check of a number of such occurrences. In most cases the issue dealt with the class being completed in the prior fiscal year but the actual payment was not paid until the next fiscal year. There were also instances where mistakes were made and an employee was overpaid.

The school codes were not on the payment data files but were listed on the original request, which we have on file. The omission of the codes is a technical deviation from policy.

Recommendation #3: HR needs to develop a method for accurately monitoring the \$5,000 per employee cap for reimbursement for each calendar year. All school codes should be reflected in the system prior to payment of reimbursement.

Response: Concur – in progress. We have revised our practice and now calculate the cap to the payroll date, versus the class ending date. By basing the cap on the payroll date, you only need to be concerned with the actual payment in a calendar year. This will make tracking simpler and reduce mistakes. We will continue to track employee spending and print and post a report every two weeks. However, our checks and balances still rely on the Administrator to “catch” a request that would put an employee over the cap. We are currently working with the CIO team that created the Tuition Reimbursement on-line application process to add a feature to the application that will not allow an employee to submit a request if it will put them over the \$5,000 cap. For example, if an employee was at \$4,550 for the year and tried to submit a

request for a class that cost \$700 they will get an error message that says you may not submit a request for more that \$450 because it would put you over the limit. This upgrade is still in the planning/design phase. Also, we calculate the \$5,000 cap based on the calendar year and we go by the pay date without regard to when the class was completed, as long as it was in the last 60 days.

An on-line application cannot be submitted without the school field populated. This improvement has already been put in place. The system also features a drop down menu with only accredited schools currently authorized. An employee has no other choice but to choose from the list. If another school is requested, the employee must submit that request separately; we verify the schools accreditation, and then add it to the drop down menu. They are unable to proceed with the application until the school is chosen.

Target Completion Date: Process changes are complete. Technology changes regarding the \$5,000 cap are expected to be completed by 10/15/05

Benefits/Costs: The benefit to employees is increased performance and knowledge and more promotional opportunities. The benefit for Maricopa County is a more educated and qualified workforce and a reduction in turnover rate.

Approved By:

 8/11/05
Department Head/Elected Official Date

Chief Officer

Date



County Administrative Officer

8/15/05
Date